## MYSORE ACT No. IX OF 1946

# THE EXCHANGE OF HIGH DENOMINATION BANK NOTES ACT, 1946.

*(Received the assent of His Highness the Maharaja on the 18th day of January 1946.)*

WHEREAS currency notes of the Government of India issued either by the Government of India or by the Reserve Bank of India have been declared by the Mysore Paper Currency Act, 1919, to be legal tender to the amount expressed in such note as long as such currency notes are legal tender in British India;

AND WHEREAS by the High Denomination Bank Notes (Demonetisation) Ordinance, 1946, of the Government of India, currency notes of the Government of India issued either by the Government of India or by the Reserve Bank of India of the denominational value of five hundred rupees, one thousand rupees or ten thousand rupees (hereinafter in this Act referred to as high denomination bank notes) have been declared on the expiry of the 12th day of January 1946 not to be legal tender in payment or on account at any place in British India;

AND WHEREAS under the said Ordinance provision has been made for the exchange of high denomination bank notes held by banks, Government Treasuries or other persons;

AND WHEREAS it is expedient to make provision in this behalf in Mysore.

NOW, THEREFORE, in exercise of the powers conferred by section 30 of the Government of Mysore Act, 1940;

It is hereby enacted as follows:—

1. (1) This Act may be called the Exchange of High Denomination Bank Notes Act, 1946.

(2) It extends to the whole of Mysore.

(3) It shall come into force at once.

2. (1) Any high denomination bank note held by a person other than a scheduled bank or Government Treasury shall be exchanged only on tender of the note

for exchange by the owner thereof in the manner provided in this section.

(2) Every such owner of a high denomination note desiring to tender it for exchange shall prepare in the form set out in the Schedule or in a form as near thereto as may be, four copies of declaration signed by him giving in full the particulars required by that form, and shall, on or before the 22nd day of January 1946, deliver such copies in person together with the high denomination bank notes he desires to exchange to the Bank of Mysore or any branch thereof or to a Government District Treasury or the State Huzur Treasury :

Provided that if such owner resides in a place not within convenient reach of any such branch, bank or treasury or if by reason of age, infirmity or illness he is unable to attend thereat or if the provisions of sub-section (9) are applicable to him, he may forward the high denomination bank notes he desires to exchange with the four copies of his declaration by insured post to the State Huzur Treasury, Bangalore, at any time within the 26th day of January 1946.

(3) Every declaration under this section shall, for the purpose of identifying the person making it, be attested either by his banker or by a salaried Magistrate or Justice of the Peace or by a Police Officer not below the rank of Inspector of Police.

(4) Where a person applies under the section for the exchange of high denomination bank notes in more than one instalment or at more than one Branch, Bank, Government District Treasury or State Huzur Treasury or on more than one day he shall give in the declaration which shall accompany every such application full particulars of other applications made by him.

(5) The person who signs any declaration under this section shall be deemed for all purposes to be the owner of the high denomination bank notes to which it relates, and if it is proved that he is not in fact the owner of such bank notes, he and the owner thereof, unless in the case of the latter he can prove that the declaration was made without his knowledge, shall be deemed to have committed an offence against this Act.

(6) Unless it appears that the declaration has not been completed in all material particulars, the Bank of Mysore,

Government District Treasury or State Huzur Treasury as the case may be, to which an application for exchange of high denomination bank notes is made under this section shall exchage the said notes for an equivalent value of bank notes of the denominational value of one hundred rupees or if the applicant so desires for the credit of an equivalent amount to his account with a bank.

(7) Where it appears that a declaration has not been completed in all material particulars, the Bank of Mysore, Government District Treasury or State Huzur Treasury as the case may be, to which such application as aforesaid is made, shall, unless the applicant is able to supply the omission without delay, refuse to accept and exchange the bank notes to which the declaration relates, and if it does so refuse, shall return one copy of the declaration to the applicant after entering thereon the date on which it is presented and shall refer the application to the Government to which it shall forward a copy of the declaration with a brief statement of the reasons for refusing to exchange the bank notes.

(8) The Government may require any applicant referred to it under sub-section (7) to amplify his declaration to such an extent and in respect of such particulars as it thinks fit and may unless the applicant is able fully to comply with such requirements, refuse to sanction the exchange of the high denomination bank notes to which the declaration relates.

(9) Notwithstanding anything to the contrary in the foregoing provisions of this section no high denomination bank notes exceeding in value fifty thousand rupees held by any person shall be exchangeable under this section except with the State Huzur Treasury, Bangalore.

(10) The Government or any person or authority authorised by it in this behalf may for sufficient reasons extend in any particular case the period during which denomination notes may be tendered for exchange under this section.

(11) The Bank of Mysore or any Branch thereof, a Government District Treasury or the State Huzur Treasury to which application is made under this section for the exchange of high denomination bank notes shall, unless it refuses to accept and exchange the bank notes, forward one copy of the declaration to the Commissioner

for Income-tax in Mysore, Bangalore, in case the applicant is not a Government servant and in case the applicant is a Government servant to the Chief Secretary to Government of Mysore, Bangalore.

**3.** (1) Whoever knowingly makes in any declaration under section 2 any statement which is false or only partially true or which he does not believe to be true or commits any offence against this Act or the rules made thereunder, shall be punishable with imprisonment for a term which may extend to three years or with fine or with both.

(2) Where the person committing an offence punishable under sub-section (1) is a Company or other body corporate, every director, manager, secretary or other officer or agent thereof shall unless he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent such commission, be deemed to be guilty of the offence.

(3) No prosecution for an offence punishable under this section shall be instituted except with the previous sanction of the Government.

(4) Notwithstanding anything in section 32 of the Code of Criminal Procedure, 1904, a Magistrate of the First Class trying an offence punishable under this section may impose a fine exceeding one thousand rupees.

**4.** No suit, prosecution or other legal proceedings shall lie against any person for anything done or in good faith intended to be done under this Act.

**5.** Nothing in this Act shall be deemed to prevent,—

(1) any bank from obtaining in exchange for high denominational bank notes an equivalent amount in bank notes of the denominational value of one hundred rupees under the provisions and subject to the conditions of section 5 of the High Denomination Bank Notes (Demonetisation) Ordinance, 1946 of the Government of India.

(2) Any bank or any branch in Mysore of any Bank which is included in the second schedule to the Reserve Bank of India Act, 1934 of the Government of India from exchanging any high denomination bank notes for an equivalent value of bank notes of the denominational value

of one hundred rupees under the provisions and subject to the conditions of section 6 of the said ordinance:

Provided that one copy of the declaration required under that section to be delivered to the bank is forwarded to the Commissioner of Income-tax in case the applicant who furnishes the declaration is not a Government servant and to the Chief Secretary to Government in case the applicant is a Government servant.

6. The Government may make rules to provide for any matter for which it deems provision necessary or expedient in order to give effect to the purposes and provisions of this Act.

## SCHEDULE.

FORM OF DECLARATION PRESCRIBED BY SECTION 2 OF THE EXCHANGE OF HIGH DENOMINATION BANK NOTES ACT OF 1946.

1. Name of declarant ...
2. Status of declarant as owner of the bank notes to which this declaration relates, whether individual, Hindu undivided family, company, firm, local authority, or other association of persons.
3. Address ...
4. District in which declarant is assessed to income-tax
5. If declarant is engaged in business, profession or vocation, name in which carried on or in the case of a firm, the firm's name.
6. Principal place of business, profession or vocation of declarant, location and style of each branch
7. Name and address of each partner, if declarant is a firm.
8. Name and address of each firm or firms, if declarant is a partner in a firm.
   If the firm carrying on business has branches in British India—name and address of firm or branch in British India.
9. If declarant is a salaried person, amount of the salary per annum.
10. If declarant is a Government servant, Government Department and post held
11. If declarant is a retired Government servant, last post held, the Government Department under which such post held and date of retirement.

12 If declarant is a retired servant of a non-Government employer, particulars of last post held.

13. If declarant is not a retired employee, particulars of former profession or vocation.
If declarant is a lady, name of husband or guardian and his address.
If declarant is a lady with a vocation or employment, particulars.

14. Particulars of high denomination notes tendered :

| Denomination | numbers.* | Total value |
|---|---|---|
| Rs | | Rs. |
| 500 | | |
| 1,000 | | |
| 10,000 | | |

*List to be attached separately.

15 Reasons for keeping above amount in high denomination notes rather than in current account, fixed deposit or securities.

16 When and from what source did declarant come into possession of bank notes now tendered ?

17 If notes in question represent re-import of bank notes sent out of British India, quote number and date of Reserve Bank of India's licence.

18. Does the value of bank notes now tendered represent business profits in whole or in part ?
If so, specify name of business and year or years in which such profits made and place of business.

19 If amount in 18 above is in excess of profits referred to therein, indicate the source of excess with evidence in support.

20. Has any other declaration been made by declarant or on his behalf elsewhere ? If so, state full particulars.

I/We hereby declare that the particulars furnished above are full, true and correct to the best of my/our knowledge and belief. I/We further declare that the bank notes tendered herewith belong to me/us and are not *benami* holdings.

I/We undertake to advise the Reserve Bank of India, Bombay, if any other high denomination bank notes are tendered for exchange by me/us for exchange at any other station(s).

Signature.

Date

Permanent address.

I/We (if Bank) hereby testify that I/We know the deciarant and certify that the above declaration was signed in my/our presence.

Date Signature.

Station Seal Designation.

I/We (if an officer of the Reserve Bank of India) hereby acknowledge the receipt of the high denomination bank notes tendered by .....with the above declaration at ..... P.M. to-day.

Date

Signature.

Seal.

Station Designation of receiving authority.